IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL NO.871 OF 2006

In

NOTICE OF MOTION NO.21 OF 2006

In

INSOLVENCY NOTICE NO.N/256 OF 2005

M/s.Prabhudas Hirji & Co. & Ors. : Appelants/
Org.Jdmt. Debtors

V/s.

Ex Parte:

Atmaram Leasing Co. Pvt. Ltd. : Respondent/
Org.Jdm. Creditor

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Mr.S.K.Chaurasia i/b. Mr.A.M.Saraogi for the appellants.

Ms Laxmi Swaminathan i/b. Ms R.C.Shukla for the respondent.

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CORAM : R.M.LODHA & S.A.BOBDE,JJ.

DATE : DECEMBER 6, 2006.

P.C.

We heard Mr.S.K.Chaurasia, the counsel for the appellants, and perused the impugned order.

2. It is admitted by the counsel for the appellants that under the settlement, the entire payment has not been

made to the creditor. According to him, the payment for item nos.1, 2 and 3 mentioned in annexure ‘A’ (page 14) is admitted by the judgement creditor. He submits that further payment of Rs.5,00,000/- was made to Crystal Clear Investment by cash. The counsel then submits that the default thereafter is bona fide.

3. We are afraid that save and except the payment of Rs.5,55,000/-, there is no material or evidence in support of the submission of the counsel for the appellants that further payment of Rs.5,00,000/- was made to Crystal Clear Investment. The appellants have miserably failed to comply with the payment schedule to the various creditors.

4. In this view of the matter, the order passed by the learned single Judge refusing to set aside the Insolvency Notice does not call for any interference.

5. Appeal is dismissed in limine.

R.M. LODHA, J.

S.A. BOBDE, J.